Gail Boudreaux Present and Future

The beginning of the New Year is traditionally a time to pause and reflect on both the past and the future. Each year we are more experienced and hopefully wiser as a result of events that took place at work and home, in our communities, in the nation and the world. These experiences can be helpful as we plan and set goals for the future.

At Blue Cross and Blue Shield of Illinois, our goals and achievements are measured to the degree that they balance and strengthen our mission, “...to have a positive impact on the quality, cost effectiveness and accessibility of health care...”

Looking back...

In 2003, BCBSIL responded to one of the major challenges of our time, rising health care cost, by focusing on three key areas:

**Product Expansion that Enhances Choice and Moderates Cost**

BlueEdge℠, a Consumer Driven Health Care Product (CDHP) was introduced allowing consumers to play a significant and active role in their health care decisions and expenditures.

**Service and Operational Excellence**

We continue to advance information technology to Blue Cross & Blue Shield members and contracting providers through the introduction of additional web-enabled capabilities, while maintaining a commitment to “personal touch” service through our Customer Service Representatives, Provider Educators, Network Consultants and Electronic Commerce Facilitators. The re-engineering of internal business processes to take advantage of new technology and to streamline our administrative processes remains a major focus to ensure we provide exceptional service.

**Next Generation Care and Network Management**

Our Medical Management organization remained focused on a comprehensive care management approach which integrates all of our programs to support the member and physician. During 2003, we expanded our medical management activities to include several new disease management programs and added predictive modeling tools which help our staff identify members who should proactively be included in our case management and member outreach programs. Another major focus for Blue Cross & Blue Shield was the introduction of outcome based reimbursement approaches which reward providers for improving the health outcome of Blue Cross and Blue Shield of Illinois members.

Looking forward...

Change in the business environment today is constant and inevitable; this creates both challenges and opportunities for the future. Although we have knowledge and wisdom from the past for reference, more succinctly, we are in a position to create the future. It only requires that we are profoundly committed, dedicated and connected to our vision. In the health industry, we continue to face escalating health care cost. Meeting this challenge requires not only our individual skills and commitment, but our collective attention. Together we must find solutions to manage health care cost and improve member/patient health and well being. We look forward to working with you to create this vision.

As we begin the year together I would like to take this opportunity to wish you a Happy and Healthy New Year.

Sincerely,

Gail Boudreaux
President, Blue Cross and Blue Shield of Illinois

Introducing our new look!

We hope that you agree that the newly redesigned Blue Review is a change for the better. We’ve updated our newsletter, making it more readable and giving it a clean new style. We will continue our commitment and tradition of providing you with the most current information. The Blue Review is located on our Web site at www.bcbsil.com/provider/bluerreview.htm and on THIN Online. We hope you will continue to find the Blue Review an instructive tool and a helpful resource and reference when servicing our members. We hope you enjoy the redesigned format.
# National Drug Code (NDC)

Claims with Not-Otherwise-Classified (NOC) “J Code” Drugs can now be submitted electronically. The addition of the fields below, to the adjudication system input format, eliminates the need for paper claims for these types of services. The following table defines the fields used in the electronic claims submission process and the location of the elements in the two variations of electronic formats:

<table>
<thead>
<tr>
<th>Field Name</th>
<th>Field Description</th>
<th>ANSI (Loop 2410)—Ref Desc</th>
<th>NSF T0301—Record/Field No.</th>
</tr>
</thead>
<tbody>
<tr>
<td>NDC Units</td>
<td>National Drug Code Units: This field identifies the number of units for a prescription drug.</td>
<td>CTP04</td>
<td>FB0-16</td>
</tr>
<tr>
<td>NDC Unit/MEAS</td>
<td>National Drug Code Unit of Measure: This field identifies the unit of measure of the prescription drug given. Values: F2 – international unit GR – gram ML – milliliter UN – unit</td>
<td>CTP05-1</td>
<td>FB0-32.1</td>
</tr>
<tr>
<td>National Drug CD</td>
<td>National Drug Code: National code assigned to the drug administered.</td>
<td>LIN02</td>
<td>FB0-15</td>
</tr>
<tr>
<td>Drug Unit Price</td>
<td>Unit Price: Price per unit of product, service, commodity, etc.</td>
<td>CTP03</td>
<td>FB0-32.2</td>
</tr>
</tbody>
</table>

The NDC number is used for reporting prescribed drugs when required by government regulation, or as deemed by the provider to enhance claim reporting/adjudication processes. In the past, services for Not-Otherwise-Classified (NOC) “J Code” drugs required narrative descriptions and submission using paper claims. The fields above provide the additional information required to process these services electronically.

Modifications to Provider billing systems or notification to billing vendors to make the above changes may be required. If you have any questions about the change, please contact the EDI Hotline at (312) 653-7954.

---

## Reimbursement for Flu Mist Vaccine

In light of the limited supply of influenza vaccine, Blue Cross and Blue Shield of Illinois will cover the intranasal flu vaccine for the 2003/2004 flu season. The FDA has licensed the intranasal influenza vaccine for immunocompetent individuals aged 5-49 years.

Reimbursement for fee for service providers, (PPO, U&C and BlueChoice POS) is $75 per dosage when using CPT Code 90660. Providers servicing HMO members should seek reimbursement from the member’s Medical Group/IPA, since it is the group’s financial responsibility for payment.
As a result of new products that were introduced during the year and subsequent formulary decisions made by our National Pharmacy and Therapeutics Committee, a few changes will be made to the Blue Cross and Blue Shield of Illinois Formulary effective January 1, 2004. New versions of the pocket formularies will be printed with new formulary information and should arrive in mid-January. The new information will be posted on our Web site at: www.bcbsil.com/member/rx_drugs.htm. Effective January 1, 2004, Avapro, Avalide, Azmacort, Esclim and FemHRT will no longer be on the Blue Cross and Blue Shield of Illinois Formulary. These non-formulary products will remain available to members. However, their non-formulary status may increase the copayment for some Blue Cross and Blue Shield of Illinois members. Alternative medications are listed below.

<table>
<thead>
<tr>
<th>Nonformulary Medication</th>
<th>Formulary Alternative</th>
</tr>
</thead>
<tbody>
<tr>
<td>Avapro</td>
<td>Diovan, Cozaar, Benicar</td>
</tr>
<tr>
<td>Avalide</td>
<td>Diovan HCT, Hyzaar, Benicar HCT</td>
</tr>
<tr>
<td>Azmacort</td>
<td>Flovent, Pulmicort</td>
</tr>
<tr>
<td>Esclim</td>
<td>Estradiol transdermal, Alora, Estraderm, Vivelle</td>
</tr>
<tr>
<td>FemHRT</td>
<td>Prempro, Premphase, Ortho-Prefest</td>
</tr>
</tbody>
</table>

Although only five medications are being removed from the formulary January 1, 2004, ten brand name drugs will be added resulting in a net gain of brand name products on the formulary. The following brand name medications will be added to the formulary as of January 1, 2004:

- Benicar
- Benicar HCT
- Crestor
- Pravigard PAC

In addition to the January 1st changes to the formulary- some brand name drugs were reviewed earlier and added to the formulary on November 1, 2003. These drugs are:

- Emtriva
- Femring
- Finacea
- Oxytrol
- Stalevo
- Wellbutrin XL

You can view the 2004 BCBSIL formulary, access a printable Adobe Acrobat file, and see a summary of formulary changes at: www.bcbsil.com/member/rx_drugs.htm.

---

**Pharmacy Provider For Lupron Depot**

**Coverage**

BCBSIL BlueChoice, PPO, and indemnity plans currently cover Lupron Depot IM injections for:

- Advanced Prostatic Cancer
- Endometriosis
- Uterine leiomyoma
- Precocious puberty

**Pre-Authorization**

BCBSIL encourages providers to confirm member eligibility. However, pre-authorization is not required for Lupron Depot IM injections administered in a physician’s office.

**Reimbursement**

Reimbursement for Lupron Depot IM injections is set at 80% of the Average Wholesale Price (AWP). Effective January 1, 2004, Lupron Depot can be ordered through TAP Pharmacy at no cost to you. TAP Pharmacy will arrange shipment to your office and bill BCBSIL directly for the cost of the Lupron Depot. You can order by calling TAP Pharmacy at (800) 859-0220.

**Billing Guidelines**

For providers who do not use TAP Pharmacy, you may bill BCBSIL directly using HCPCS Codes J1950, “Injection, leuprolide acetate (for depot suspension), per 3.75 mg” and J9217, “Leuprolide acetate (for depot suspension), 7.5 mg”.

If you have any questions regarding Lupron Depot IM injections, please contact the Provider Telecommunications Unit (PTC) at (800) 972-8088.
Performance Recognition Awards Program is Underway

In 2002, Blue Cross and Blue Shield of Illinois launched a corporate initiative to increase electronically submitted claims and reduce the paper duplicate submissions. The Paper Claims Reduction Project has made substantial progress toward this goal in one year. The number of claims submitted electronically by providers has increased significantly. Reference the chart below illustrating the growth in claims as well as the growth in Electronic claims.

Beginning this month, we will initiate the Performance Recognition Awards Program to recognize those providers who are reducing paper claim and duplicate claim submissions at the same time increasing electronic submissions. To help us fairly award recipients, we have defined specific criteria for this incentive program. Providers will qualify for Awards in one of the following categories:

1. Most consistently high Electronic Media Claims (EMC) submitter—Providers consistently submitting greater than 95% of their claims electronically each month
2. Most improved EMC submitter—Providers with the most improved percentages of electronic submissions
3. Most consistent reduction in paper duplicates—Providers with the most improved percentages in reducing duplicate claims via paper, with progress shown every month

Slotting of providers based on the type of provider (Professional or Institutional), average monthly volume of claims submitted (based on the past 6 month) and geographic location, to ensure equitable comparison and competition, is currently in progress.

Look to future editions of the Blue Review, and keep checking our BCBSIL Web site at www.bcbsil.com, for more details as the program moves forward.

---

Attention Hospital Providers

**3 Ways To Reduce Cost and Increase Administrative Efficiencies**

1. **Do** access THIN Online for claim status, or
2. **Do** call the Provider Telecommunication Center (PTC) for claim status.
3. **Do not** send Single Case Inquiries (SCI) to BCBSIL for claim status.

Recent analysis of Single Case Inquiry (SCI) forms mailed to Blue Cross and Blue Shield of Illinois (BCBSIL) shows that you are using SCIs to ask for claim status, and at the same time you are calling the PTC for status on the same claims. Not only are you duplicating efforts, but you are incurring unnecessary cost for your facility by mailing paper inquiries to us for claim status that can more efficiently be obtained by accessing the inquiry database, THIN Online or calling the PTC at (800) 972-8088. Are you aware that the PTC can handle claims status inquiries and adjustments while you are on the line?

BCBSIL is committed to reducing health care cost. Eliminating paper transactions and advancing technology will have an impact on this effort. We have recently made more enhancements to upgrade the functionality of THIN Online. The ineligible reason codes that are displayed when a user views the status of a claims online has a detailed description clearly explaining, at the claim line level, how the claims were paid for each procedure code. If you have any questions about THIN Online please contact your Network Consultant. They will be happy to assist you.
New Professional Provider Review Form

We have introduced a new Provider Review Form, developed specifically for professional providers, that has a dual purpose. This form can be used for ClaimCheck reviews, in addition to all other claim review requests.

You can utilize this form to request ClaimCheck reviews if you receive denials for one of the following reasons:

- claims denied as mutually exclusive or incidental to the primary procedure code
- claims with code bundling issues.

The table below lists the reason codes used for ClaimCheck denials.

<table>
<thead>
<tr>
<th>Participating Provider Ineligible Codes</th>
<th>Non-Participating Provider Ineligible Codes</th>
<th>Provider Statement</th>
</tr>
</thead>
<tbody>
<tr>
<td>G03</td>
<td>G04</td>
<td>This procedure is incidental to the primary procedure.</td>
</tr>
<tr>
<td>G05</td>
<td>G06</td>
<td>This procedure rebundled to the code that more accurately reflects the service that was done.</td>
</tr>
<tr>
<td>G07</td>
<td>G08</td>
<td>A separate charge is not allowed as it is included in another procedure.</td>
</tr>
<tr>
<td>G13</td>
<td>G14</td>
<td>A separate charge is not allowed as it is included in another procedure. (Medical visits)</td>
</tr>
</tbody>
</table>

The Professional Provider Review Form can now be found on our Web site, at www.bcbsil.com/provider/forms.htm. The following sections of the form must be completed in order for us to process the claim review:

- Type of Review
- Claim Data
- Provider Data
- Reason for Review
- Documentation that will support or facilitate the review, i.e., operative report or medical records, etc.

New Account Groups

<table>
<thead>
<tr>
<th>Group Name</th>
<th>Group Number</th>
<th>Alpha Prefix</th>
<th>Product Type</th>
<th>Effective Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Andrew Corporation</td>
<td>016586</td>
<td>AND</td>
<td>PPO(Portable)</td>
<td>January 1, 2004</td>
</tr>
<tr>
<td>Architectural Iron Workers, Local 63*</td>
<td>P15443</td>
<td>AIW</td>
<td>PPO</td>
<td>February 1, 2004</td>
</tr>
<tr>
<td>Bunn-O-Matic</td>
<td>075339-40</td>
<td>BNT</td>
<td>PPO(Portable)</td>
<td>January 1, 2004</td>
</tr>
<tr>
<td></td>
<td>075341</td>
<td>BNT</td>
<td>BlueEdge PPO(Portable)</td>
<td>January 1, 2004</td>
</tr>
<tr>
<td>Elkay Manufacturing</td>
<td>015831-34</td>
<td>ECO</td>
<td>PPO(Portable)</td>
<td>January 1, 2004</td>
</tr>
<tr>
<td>Stericycle</td>
<td>015679</td>
<td>CYC</td>
<td>PPO(Portable)</td>
<td>January 1, 2004</td>
</tr>
</tbody>
</table>

*Please note that since the printing of the December 2003 Blue Review, Architectural Iron Workers, Local 63’s group number has changed from P15445 to P15443

Key:

- BlueEdgeSM Participating Provider Option (PPO) = Consumer Driven Healthcare Product (CDHP)
- CMM = Comprehensive Major Medical
- POS = Point of Service (BlueChoice)
- PPO = Participating Provider Option (Hospital and Physician Network)
- PPO Hospital Network = Participating Provider Option (Hospital Network Only)
- PPO(Portable) = BlueCard PPO
- HMOI = Health Maintenance Organization of Illinois
- HMOI AFHC = HMOI Away From Home Care
**Enhancements Made to Provider Finder®**

We continue to enhance our Provider Finder® on the BCBSIL Web site to make it more user friendly and efficient. Recently the following improvements have been made that will assist current and prospective members:

1. **PPO Members no longer need to enter their Alpha Prefix to search for a provider.**

2. **Partial Name Search**
   Members who are unsure of the spelling of a provider’s name can enter just part of the name. The Provider Finder will display a list of possible matches.

3. **PPO Network Search Options**
   PPO members can search by provider name, medical group name (where available) or hospital name. In addition, the Ancillary Provider list has been renamed “Other Provider Types”, and includes a drop-down menu that makes choosing the specialty area easier.

4. **Search by Specialty for POS**
   Point of Service members can search for specialists in all networks where that information is available.

5. **HMO Medical Group Search**
   HMO Illinois and BlueAdvantage HMO™ members have expanded options of searching by medical group number or medical group name.

6. **Results Pages**
   - The Results Page indicates the total number of providers found in a search. Details of the first 100 are listed. If members would like to view the remainder, they can click one button to create a personalized directory with the entire list.
   - Quicker modifications can be made for search criteria.
   - Results are listed by distance from the zip code entered. Members can immediately sort the list in alphabetical order, if preferred.
   - Members searching the HMO Illinois and BlueAdvantage HMO™ networks can further filter their results by specialty, language, gender, and open/closed practices.

One important feature is that we also indicate when the provider data was most recently updated. That is why we continue to ask that you notify us when your practice information has changed.

**To Update Your File**

Making revisions to your file has been simplified when using the Provider Update Form. You may access this form by following these procedures:

- Log in to [www.bcbsil.com](http://www.bcbsil.com)
- Choose “Providers”
- Select the “Change Online” icon in the bottom left hand corner of the page
- Complete form online, populating all required fields
- Select submit

If there are any errors or if you need to make changes or additions, you may use the online form or download the Provider File Update Form (PDF) and send the information to the Provider Services Department via fax at (312) 856-1946. You also have the option to mail the information to us using your own letterhead. Mail to: 300 E. Randolph Street, Chicago, Illinois 60601-5000. Attention: Provider Services, 27th Floor.

As more and more customers use online services to obtain information, maintaining an accurate provider database is more important now than ever. Look for upcoming editions of the BlueReview where we will continue to provide you with guidelines to assist you in submitting your practice information in the most efficient manner. Your continuing cooperation is appreciated in this effort.
Want to improve your knowledge of BCBSIL’s procedures, products and services and increase your efficiency as a network provider? The Provider Affairs Education Team can help you. Attend one of our free workshops to get important, up-to-date information on claims submission, the reimbursement process, advantages of verifying member eligibility and benefits, out-of-state processing, key resources, BCBSIL news —and much more. Workshops were designed for both the new and experienced provider and will give you the tools to achieve administrative success as a network participant.

Online reservations may be made by logging on to www.bcbsil.com/provider/training.htm or you may fax the enclosed registration form to (312) 938-8021. A confirmation or “Request to Reschedule” form will be e-mailed or faxed to you.

### First Quarter Workshop Schedule

<table>
<thead>
<tr>
<th>January</th>
<th>February</th>
<th>March</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Professional</strong></td>
<td><strong>Professional</strong></td>
<td><strong>Professional</strong></td>
</tr>
<tr>
<td>New Contracting Provider</td>
<td>Experienced Contracting Provider</td>
<td>Experienced Contracting Provider</td>
</tr>
<tr>
<td>In-House Workshop—Full Day</td>
<td>Off-site Workshop—Half Day</td>
<td>In-House Workshop—Half Day</td>
</tr>
<tr>
<td><strong>January 28, 2004</strong></td>
<td><strong>February 18, 2004</strong></td>
<td><strong>March 3, 2004</strong></td>
</tr>
<tr>
<td>Blue Cross and Blue Shield of Illinois</td>
<td>Lincoln Park Hospital</td>
<td>Blue Cross and Blue Shield of Illinois</td>
</tr>
<tr>
<td>300 East Randolph St.</td>
<td>Centennial Room, 1st floor</td>
<td>300 East Randolph St.</td>
</tr>
<tr>
<td>Chicago, Illinois 60601</td>
<td>550 Webster Ave.</td>
<td>Chicago, Illinois 60601</td>
</tr>
<tr>
<td>(312) 653-4019</td>
<td>Chicago, Illinois 60614</td>
<td>(312) 653-4019</td>
</tr>
<tr>
<td><strong>Agenda</strong></td>
<td><strong>Agenda</strong></td>
<td><strong>Agenda</strong></td>
</tr>
<tr>
<td>8:30 to 9 A.M.</td>
<td>Registration</td>
<td>8:30 to 9 A.M.</td>
</tr>
<tr>
<td>9 A.M. to 3:30 P.M.</td>
<td>E-Commerce/Paper Reduction, Inquiry Options, Billing and Reimbursement, BlueCard, HMO, PPO and POS</td>
<td>9 A.M. to 1 P.M.</td>
</tr>
<tr>
<td><strong>Helpful Hints</strong></td>
<td><strong>Helpful Hints</strong></td>
<td><strong>Helpful Hints</strong></td>
</tr>
<tr>
<td><strong>Professional Audience</strong>: Billers, Office Managers and Physicians</td>
<td><strong>Professional Audience</strong>: Billers, Office Managers and Physicians</td>
<td><strong>Professional Audience</strong>: Billers, Office Managers and Physicians</td>
</tr>
<tr>
<td><strong>Institutional Audience</strong>: Billing and Admitting/Registration Managers/Supervisors, Billing/Follow-up Staff, Admission and Registration Staff</td>
<td><strong>Institutional Audience</strong>: Billing and Admitting/Registration Managers/Supervisors, Billing/Follow-up Staff, Admission and Registration Staff</td>
<td><strong>Institutional Audience</strong>: Billing and Admitting/Registration Managers/Supervisors, Billing/Follow-up Staff, Admission and Registration Staff</td>
</tr>
<tr>
<td><strong>Note</strong>: Institutional providers who are responsible for billing professional fees on the CMS-1500 may wish to attend.</td>
<td><strong>Note</strong>: For workshops held at BCBSIL, you must show photo identification at the registration desk.</td>
<td><strong>Note</strong>: Institutional providers who are responsible for billing professional fees on the CMS-1500 may wish to attend.</td>
</tr>
<tr>
<td><strong>Register Online</strong>: If you want to attend one of our workshops, log on to <a href="http://www.bcbsil.com/provider/training.htm">www.bcbsil.com/provider/training.htm</a> to register online.</td>
<td><strong>Register Online</strong>: If you want to attend one of our workshops, log on to <a href="http://www.bcbsil.com/provider/training.htm">www.bcbsil.com/provider/training.htm</a> to register online.</td>
<td><strong>Register Online</strong>: If you want to attend one of our workshops, log on to <a href="http://www.bcbsil.com/provider/training.htm">www.bcbsil.com/provider/training.htm</a> to register online.</td>
</tr>
</tbody>
</table>
Unique ID Numbers

As we reported in the December 2003 Blue Review, California and Texas, along with several other states, have passed Identity Theft laws to protect the confidentiality of Social Security Numbers (SSNs) for state residents. The laws restrict the use of Social Security Numbers as customer identifiers by non-governmental entities and individuals. Other states are expected to follow.

In response to these legislative and regulatory initiatives, Blue Cross and Blue Shield of Illinois (BCBSIL) has begun gradually converting subscribers’ identification numbers from the SSN to an alternative ID number—a Unique Identifier (UID). BCBSIL is following the alpha numeric ID structure and conversion deadline mandated by the Blue Cross and Blue Shield Association.

During the next two years (by January 1, 2006), all BCBS members will be issued new ID cards with the new UID format. This number will be used for any health care transaction. In addition to new numbers on ID cards, the change will affect the use of SSNs on Explanation of Benefits, Web site usage and Internet transmissions.

What This Means For You

- New customers: You can expect to see the Unique Identifiers on the member identification cards of all new BCBSIL employer groups that enroll in 2004.
- Existing members: Gradually between January 2004 and January 1, 2006, the remaining BCBSIL identification cards will be converted to the Unique Identifiers. Approximately 25 of our existing groups have already converted as of January 1, 2004.
- You may see the Unique Identifiers on some BlueCard (out-of-state BCBS) member identification cards as early as January 2004.
- The BCBS Unique Identifiers could consist of a maximum of seventeen characters, fourteen alpha numeric characters, and as always it will be preceded by the three-letter alpha prefix that you are accustomed to seeing on BCBS identification cards.

In light of these changes, it is important that you always ask to see the member ID card for all of your BCBSIL patients beginning January 1, 2004. This will allow you to:
- Keep track of when a new ID card has been issued
- Update the patient’s records
- Ensure that your claims will be processed in a timely manner

Hospital Network Update In Northwest Indiana

The following changes have occurred in the hospital network in the Northwest Indiana area. The hospitals listed below left the PPO network effective January 1, 2004. (All hospitals remain in the PPO Indiana Anthem network).

Community Hospital—Munster, Indiana
Porter Memorial Hospital—Valparaiso, Indiana
St. Mary Medical Center—Hobart, Indiana
St. Catherine Hospital—East Chicago, Indiana
Deaconess Hospital—Evansville, Indiana